

DePaul University

Economics 517-The Economics, Public Policy, Business and Ethical Environment of Government

Faculty: Robert S. Kallen
Kalrow@aol.com

Thursday Night
5:45 to 8:45 p.m.
Winter Quarter—2020

Teaching objective

This course will expose the students to governmental relations in the federal system and will teach the students skills relating to lobbying and networking. We will discuss the influence of money in the political process and how it impacts economic decision-making, along with the ethical implications. The students will also develop an understanding of the relationship between business and government and will be better prepared to communicate and network in their professional careers.

Course description

The course will be divided into the following sections:

1. Public Choice Theory: Selected reading with the goal of showing the students how business and government interact;
2. Case Studies: Identify major corporations and individuals and show how they used the legislative or regulatory processes to achieve their desired economic goal;
3. Lobbying: Identify the major players and attempt to ascertain how and why they are successful; and
4. Ethics: Studying individuals and corporations who encountered ethical problems and why ethical lapses occur.

Mode of instruction

This course will be taught utilizing the Socratic Method. It is also my intention to lead a 2-3-day trip to Washington for the purpose of meeting with governmental officials, congressional staffers, trade association representatives, lobbying firms and elected representatives to discuss the influence of corporations and money in government and to understand how the system works from a Washington perspective. The estimated cost of the Washington DC trip will be \$300.00. The trip is optional and will not affect your final grade. A decision confirming the trip will be announced during our second class meeting.

Criteria for evaluation

I do not intend to lecture and thus, class will be very interactive, enabling controversial views to be exchanged in a “safe environment” with respect. Grading will be based on preparing a lobbying briefing paper which will be no more than 2 pages in length on an issue that you would present to an elected representatives’ office for consideration. Each student will then have 2 minutes to present the position in a mock lobbying exercise—30% of your final grade. Students will also attempt to arrange a meeting for our potential Washington DC trip with a public official, a governmental staff person, a lobbyist an individual from the think tank community—10% of the final grade. The students will also submit a paper exploring one of the topics we have discussed in class in great detail which has an economic nexus—5-7 pages and 50% of your final grade. Group projects will also be part of the course and will factor into your final grade—10% of the final grade. Finally, because I am not lecturing, class participation is key to fulfilling the requirements of this course—10% of the final grade.

Course Materials

Course material will be developed using handouts. It is expected that students will keep informed on all current event issues and thus, it is strongly suggested that you subscribe to the Wall Street Journal or other established national periodical and be familiar with the political and business environment in the US and the world.

Course Schedule

Material will include but not limited to the following which is identified below. Possible questions we will be discussing in class are in italics.

Jan. 9 & 16 **Introduction: difficult conversations and how to articulate your views**

Alan Greenspan's commencement address to Wharton School of Business—*is material success possible without exploiting others?*

“Why Kids Cheat at Harvard”—*what should be the punishment for cheating at an academic institution?*

Ellie Wiesel's commencement address to Wash U—*what will you do when you see wrong?*

When the invisible become visible--*what are your views regarding the role of government?*

BBC documentary clip, “Crossing Delmar”—*what obligation, if any, does a university have to the community?*

Jan. 23 **The environment in DC with concentration on debts, deficits, and budgets, and economics.**

The federal budget—*how should the government raise and allocate revenues?*

Income concentration rate in the US—*should there be an inheritance tax?*

National debt and deficits—*is this a problem and if so, describe your solution (reference Simpson-Bowles)?*

Poverty—*how should this issue be addressed?*

Student debt—*is this a problem and if so, what should be done to address the issue?*

Jan. 30 **The federal bureaucracy, reforming government, and the political system**

Thomas Dye, “The Policy Process: The View from the Top Down--”*identify a federal agency that can be eliminated? Do people of wealth and corporations have too much influence in our society?*

“Once upon a Time When Politics was Civil” and “Did you hear the one about Bipartisanship”—*why is it so hard to find the middle?*

“My Team vs. Your Team: The Political Arena Lives Up to Its Name”—*define a Republican and a Democrat and what are the real differences between them?*

“Olympia Snow: Why I am Leaving the Senate”—*is Congress dysfunctional?*

“Shutdown’s Roots Lie in Deeply Embedded Divisions in America’s Politics”—*how have demographic patterns contributed to the political environment?*

Charlie Cook Report—*why are there so many safe seats in Congress and why do members vote with their parties so often? Do you trust government?*

Feb. 6 **The influence of money in government, how to network in politics and lobbying. Class may need to be rescheduled.**

Opensecrets.org and influenceexplorer.com—*identify the political contributions and the agenda being advocated.*

Borrell and Associates Political Advertising Report—*why are campaigns so expensive?*

Senator Maria Cantwell fund raiser solicitation, Next Gen and No Labels Policy Day Agenda and No Labels Attendee’s list—*how do you decide whether to attend a political event and network?*

“Guidelines/Strategies for Effective Government Relations Outreach”—*how do you actually lobby?*

Feb. 13 **Lobbying papers due—No class.**

Feb. 20 **Diversity in government, business and academic institutions**

Miscellaneous advertisements from the WSJ and other publications—*should companies be concerned regarding diversity?*

SAT data—*what should be the admissions requirement for academic institutions?*

The Chicago Women’s Network—*is there a glass ceiling?*

“The Positive Economics of Leaning In”—*what issues are facing women today in corporations?*

HBC case study, “The Best Intentions”—*in class exercise*

Feb. 27-28 **Class Trip to DC**

Mar 05-12 **Theory of the firm and the role of business in our society
Exploring foundations, not-for-profits and the role of class in our society
or potential DC trip**

Market capitalization data—*how has the US business environment evolved?*

Center for Responsive Politics, campaign contributions, lobbying expenditures, profits and tax payment data—*what obligation, if any, does a US domiciled corporation owe to the US?*

CEO compensation—*what is fair compensation for an executive at a public company?*

Economic Club of Chicago Brochure--*how do you network at business affairs?*

“Power of policy-making in the hands of Philanthropists”—*should foundations influence social policy?*

Class exercises—*how do you advise your client on their desires to be philanthropic? How do you decide which not-for-profits or charities to join either as a volunteer or board member and how do you network at board meetings or fundraising events?*

Developing a relationship with your boss or a potential client—*submit an article or a citation to a link to a short film clip that you would want to share with someone to start a conversation.*

Robert Kallen has taught for over 35 years and is currently a Visiting Professor of Economics and Co-Director of the MS Program in Economics and Policy Analysis at DePaul University. At DePaul University he was the recipient of the 2007 Daniel Seiden-Adjunct Teaching Award. As an adjunct professor at the Lake Forest Graduate School of Management, he received the 2002 Distinguished Faculty Award and the 2007, 2008 and 2009 Teaching Excellence Awards. He has also developed two new courses on business ethics, which concentrate on race, class and gender issues, as well as a course on the intersection of business, government and democracy, which he is now teaching at Washington University Law School in St. Louis Law. He is a frequent public speaker and guest lecturer on topics such as political economy and ethics.

Mr. Kallen also founded RSK Strategies, LLC, which provides expertise and capital to small and growing companies specializing in the food and education sectors. From 1984 to 1992, he was Vice President of Operations and General Counsel for Bake-Line Products, Inc. (a private-label cookie manufacturing company with national distribution and annual sales of over \$100`million). He was also a staff attorney at the Federal Trade Commission in Washington, D.C. (1982-1984) and at the Environmental Law and Policy Center of the Midwest (1993-1995). He has served on numerous boards and advisory boards in the private sector over the last 25 years and is now the Chairman of the Board of Restore Flow, LLC which is a medical tissue transplant company and Maximum Fidelity Surgical Simulations, LLC.

Mr. Kallen is currently the Secretary-Treasurer of the Concord Coalition Citizens' Council and Treasurer of the Integrated Pest Management Institute. Additionally, Mr. Kallen worked on the 1992 Clinton/Gore transition team for economics and was a legislative fellow in 1982 for Senator Paul Tsongas in Washington, D.C.

Bob received a B.A. in History and Economics from the University of Illinois, and a M.A. in Economics and a J.D. from Washington University in St. Louis. Finally, in 2002, Mr. Kallen was awarded a Rockefeller Next Generation Leadership Fellowship and the 2015 Distinguish Alumni Award for Washington University School of Law.

